

0604-1527

00359-4586

29 OCT 1959

Exemption

11-4027

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MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT : GEHA, UBLIC Premium Returns

1. This memorandum contains a recommendation for your approval. Such recommendation is contained in paragraph 3.

2. The GEHA Board of Directors, at its meeting of 26 October 1959, passed a resolution for the disposition of returned premiums from the United Benefit Life Insurance Company (UBLIC) for the 1958-59 period totaling \$144,175. The resolution calls for the return to UBLIC policyholders, as of 1 August 1959, the amount of one third of the premiums paid by each policyholder during the period of 1 August 1957 to 31 July 1959. This will amount to approximately \$113,204.07. The balance of \$30,970.93, minus the reimbursement to the Agency of \$5,430 for the payment equivalent of a GS-7 clerk, is to be placed in the UBLIC reserve.

3. This action for the disposition of return premiums from UBLIC is in conformity with a previous resolution of the Board for the distribution of return premiums which was approved by you on 8 December 1958. This action is further in conformity with a resolution of 5 September 1958 which requires that no more than 75% of return premiums in any insurance year shall be returned to the policyholders until such time as the reserve has reached a figure of \$100,000. The current reserve, as of 30 September 1959, is \$82,588.04 which, when supplemented by the balance of return premiums in the amount of \$25,540.93, would bring the total reserve figure to \$108,128.97. In accordance with the established relationship between the GEHA Board and the Agency, this action by the GEHA Board is one which represents policy and requires approval by the Deputy Director of Central Intelligence. It is recommended that the proposed action by the GEHA Board of Directors for the disposition of UBLIC returned premiums be approved.

RECEIVED

Chairman, Board of Directors
GEHA

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SUBJECT: GEHA, UBLIC Premium Returns

CONCURRENCES:

(signed) H. Gates Lloyd
Acting Deputy Director (Support)

9 NOV 1959

Date

S/ Lawrence R. Marston
General Counsel

5 NOV 1959

Date

Director of Personnel

Date

The recommendation in paragraph 3 is approved.

Date

C. F. CABELL

General, USAF

Deputy Director of Central Intelligence

Distribution:

Orig. - return to OS

1 - DDCI

1 - ER

2 - DD/S

1 - General Counsel

1 - Director of Personnel

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